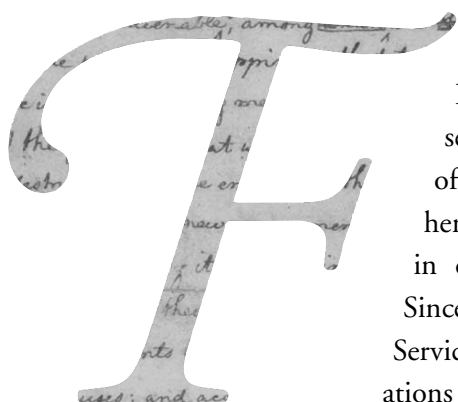


Congressional Research Service



Fiscal 1999 was a milestone year for the Congressional Research Service (CRS), marking eighty-five years of service to the Congress. It also signaled the beginning of Service-wide efforts to implement a major, comprehensive realignment of resources for continued excellence in congressional service into the twenty-first century. Since its establishment by the Congress in July 1914, the Service has been dedicated to supporting the policy deliberations of the Congress. The CRS goal remains to provide the

Congress throughout the legislative process with reliable research, analysis, and information services that are timely, objective, nonpartisan, and confidential. During the year, CRS staff responded to more than 545,000 congressional requests.

LEGISLATIVE ASSISTANCE

Depending on the type of request and the desired speed of reply, CRS responses to congressional requests varied widely. They ranged from tailored responses, including confidential memoranda and individual staff briefings and consultations, to telephone replies and prepared products such as reports, issue briefs, information packs, and congressional distribution memoranda. Responses also covered inquiries ranging from online information, including elec-

tronic access to products and services, to reference and information support, including side-by-side bill comparisons and public policy seminars or institutes. The following examples of CRS support underscore the depth and range of assistance provided to the Congress.

CRS specialists assisted at all stages of the legislative process as the Congress considered bankruptcy reform, the Comprehensive Test Ban Treaty and nuclear weapons security, dairy policy and milk pricing issues, Federal Aviation Administration reauthorization, juvenile justice and gun control, Medicare funding changes, missile defense, steel and oil subsidies, United Nations dues arrearage payment, and veterans' health care.

Administrative Law. CRS attorneys responded to numerous questions from the Congress on administrative law and procedures pertaining to congressional review of rules, small business burdens and requirements, Regulatory Flexibility Act issues, negotiated rulemaking, *ex parte* issues, and judicial review. CRS attorneys provided constitutional and statutory analysis at all stages of development of the law restructuring the Department of Energy. They also contributed legal analyses covering the Food and Drug Administration's regulatory authority over tobacco.

Agriculture. Declining farm income and prices for major crops and livestock, increasingly severe droughts in several regions of the United States, and declining international markets for U.S. agriculture, particularly in Asia, resulted in continuous congressional activity on food and agriculture issues throughout the year. CRS analysts provided support on agriculture budget and appropriations, the farm economy, agriculture trade, animal agriculture issues, disaster assistance, crop insurance, and risk management. They assisted with committee hearings, markups, and floor deliberations on crop insurance, dairy policy, and livestock industry concerns. In the spring, CRS analysts designed and conducted six ninety-minute "Agriculture Schools" for congressional staff members—presenting topics relating to the legislative agenda such as credit, crop insurance, conservation, and dairy concerns. They also arranged seminars, personal briefings, and confidential consultations for members and their staff.

Banking and Finance. Throughout the year, Congress addressed legislation to repeal provisions of the Glass-Steagall and Bank Holding Company Acts limiting affiliations of banking, securities, and insurance firms. Those proposals would markedly change the structure, operations, and regulation of the U.S.

financial system. CRS staff prepared studies of the Savings Association Insurance Fund and its Special Reserve, the authority of the Comptroller of the Currency to authorize new activities for national banks, regulatory relief proposals for banks and thrift institutions, reauthorization of the Community Development Financial Institutions Fund, and the Community Investment Act. Legal analysts examined insurance provisions and privacy protections for customer financial information.

Campaign Finance Reform. Proposals to reform the financing of election campaigns continued to command the attention of Congress, as both the House and Senate considered relevant legislation. CRS analysts assisted members with in-person consultations and with close legislative support, procedural strategy, and development of amendments considered in House and Senate deliberations.

China. Coverage of China by CRS included China's suspected acquisition of U.S. nuclear weapons data, possible acquisition of missile technology, United States-China trade relations, the possible accession of China into the World Trade Organization, changing economic and political conditions in China, the United States-China summit, the military ties between the United States and China, the reversion of Macau, suppression of the Falun Gong movement, and China Ocean Shipping Company activities at Long Beach, California. Congress also called on CRS analysts in addressing China's relations with Taiwan.

Congressional Oversight, Powers, and Procedures. At the request of House legislative leadership, CRS analysts planned and produced a three-day workshop on oversight for congressional staff members that resulted in an updated congressional oversight manual, a video for broadcast on the congressional cable network, and a Committee Print of the proceedings. Throughout the year, CRS analysts and attorneys responded to a variety of questions on congressional powers, rules governing the House and Senate, and constitutional separation of powers. Analysts addressed procedural issues; administrative activities of member, leadership, and support offices; regulations governing official foreign travel by members and staff; and members' pay allowances. Procedures experts continued to offer and refine CRS's extensive program of institutes and other presentations on legislative procedure and organization, with enhanced coverage of leadership and committee structures.

Defense Policy and Budget. Analysts addressed a range of defense issues, among them budget priorities, medical care costs, military intelligence and law enforcement, base closings, acquisition reform, budget process procedures, cost to the United States of the Kosovo military operation, and long-term defense policy. CRS analysts provided consultation to the Congress as it sought to learn the total defense budget savings that had resulted from lower-than-planned rates of inflation since fiscal 1994. Analysts also researched the potential problems of combining military intelligence and priorities with civilian law enforcement to curtail threats of terrorism and drug smuggling.

Elementary and Secondary Education. As Congress considered reauthorization of the Elementary and Secondary Education Act (ESEA) and the Goals 2000: Educate America Act, early debate focused on efforts to increase the authority of state and local grantees over their use of federal assistance, ways to enhance teacher quality and quantity, and ways to improve effectiveness of major programs of aid to the disadvantaged, such as Title I of the ESEA. At the request of committee staff members, CRS specialists held a series of twelve ninety-minute briefings on current programs and relevant issues for Senate and House committee members and for member staffs. CRS analysts assisted throughout the legislative process, from support for hearings and development of new databases to analyses of the effects of alternative proposals.

Impeachment. Throughout the debate surrounding presidential impeachment efforts, the Congressional Research Service responded to requests concerning the use of censure as an alternative to impeachment, presidential claims of executive privilege, and the inherent congressional contempt authority. CRS attorneys reviewed and reported on staff depositions in congressional investigations and compiled evidentiary rulings and applications of evidentiary principles from previous impeachments. A major seminar on impeachment and censure was offered to members and staff. An interdivisional team developed a broad range of products and provided consultation on impeachment and other potential forms of congressional sanctions against executive branch officials.

Health Care Reform. Proposals to reform managed health care were dominant on the congressional agenda for much of the year. CRS attorneys and specialists provided in-person briefings; support through hearings, committee consideration, and floor debate; and side-by-side comparison of patient protection

bills. The Service analyzed issues relating to the right to sue and to proposals for new grievance and appeals procedures, which were among the most controversial in the debate over managed care reform. CRS analysts provided research and information assistance to a congressionally established National Bipartisan Commission on the Future of Medicare that was charged with examining Medicare's financing mechanism and making recommendations to the Congress. Among other requests, CRS was asked to support authorizing committees as they began developing specific reform proposals.

Kosovo. When the North Atlantic Treaty Organization began its air campaign, Operation Allied Force, against the Federal Republic of Yugoslavia in late March 1999, CRS staff organized a task force to ensure full coverage. They produced daily situation reports on the CRS Web site reviewing military developments in Kosovo, Serbia, and the region; the refugee situation and humanitarian aid; administration policy; congressional action; public opinion; and foreign reactions. CRS reports on the conflict addressed political and military options, missile stocks and force readiness, the peacekeeping force, reconstruction efforts, and political stability in Serbia. Researchers provided testimony for congressional hearings on all aspects of the conflict as well as support for several congressional delegations to the region.

Restructuring the Electric Utility Regulatory System. Restructuring electric utilities continued to be an active issue in fiscal 1999, with both House and Senate committees preparing legislation for markup. CRS prepared analyses of potential effects of restructuring proposals on renewable energy, investigated the implications for air quality, and provided support during debates on the Public Utility Holding Company Act.

Space and Technology. Specialists in CRS delivered expert testimony during House consideration of the National Aeronautics and Space Administration (NASA) space station program and conducted in-depth analyses for both House and Senate committees reviewing the NASA budget as well as the Triana program. The Service assisted as lawmakers proposed changes in U.S. membership in Intelsat and reviewed provisions of the Satellite Home Viewer Act. Analysts offered both technical and policy analysis on reasons that a number of U.S. space launch failures occurred over a relatively short period. Congress also called on CRS to assist during discussions of the rapidly changing U.S. telecommunications industry, the federal communications policy, and the impact of emerg-

ing technologies such as broadband technology, which was a policy focal point for a wide range of telecommunications applications.

Social Security, Federal Retirement, and Pensions. At numerous hearings regarding Social Security reform measures, CRS specialists supported House and Senate committees by testifying on Social Security's long-range financial problems, by developing computer models to compare future benefits levels under various proposals to reform the program, and by analyzing proposals to use budget surpluses to bolster Social Security or to finance individual accounts. Specialists also assisted as Congress considered measures to simplify and expand pension coverage of small private employers, addressed problems arising from large employers converting their traditional pension plans to "cash balance" plans, and expanded opportunities for individual retirement saving.

Taxation. A number of CRS assessments covered tax issues, including provisions proposed in President Clinton's budget for fiscal 2000 and in the proposed Taxpayer Refund and Relief Act of 1999. Those tax issues included the marriage tax penalty, the alternative minimum tax, capital gains taxation, tax treatment of savings, expiring tax provisions, estate and gift taxation, foreign tax credits, excise taxes, and tax preferences for health insurance. Economic researchers for CRS also provided analyses of proposals to restructure the Internal Revenue Service and various types of flat tax plans.

Trade. Support for congressional committees focused on topics such as the Caribbean Basin Initiative, the Trade Adjustment Assistance program for firms, trade with developing countries, the pros and cons of fast-track negotiating authority for U.S. trade interests, United States–European Union trade initiatives, and intellectual property agreements. Congress asked CRS analysts for research on the trade deficit, trade effects of the Asian financial crisis, African trade preference bills, world trade zones, and issues addressed in the Asia Pacific Economic Cooperation Summit in New Zealand.

Vacancies Act. The attorney general's designation in December 1997 of an acting assistant attorney general for civil rights precipitated congressional hearings and the introduction of legislation in both houses to remedy the perceived noncompliance with the Vacancies Act. Although the legislation did not survive a cloture vote in the Senate, a compromise version was included in the omnibus consolidated and emergency legislation for supplemental appropria-

tions, which subsequently became law. The new Federal Vacancies Reform Act became the exclusive vehicle for temporarily filling vacant advice and consent positions; the act provides incentives for the president to make timely nominations for Senate consideration. CRS provided extensive support at all stages of consideration and evaluation of this legislation.

Welfare and Related Children and Family Issues. During 1999, Congress continued oversight of the 1996 welfare reform law and considered several related initiatives, including reauthorization of welfare-to-work grants, child support enforcement, and expansion of independent living services for older foster children. CRS analysts provided assistance to House and Senate committees in developing legislation, planning hearings, and preparing and reviewing markup and other committee documents.

Year 2000 Computer Compliance Problem. CRS staff continued to prepare expert testimony for Congress on topics related to the Y2K problem, including federal encryption policy, the Clinton administration's critical information infrastructure policy, adequacy of federal computer science funding, and the development of U.S. information infrastructure in the twenty-first century.

CRS MANAGEMENT INITIATIVES

In fiscal 1999, CRS management launched a number of initiatives focused on maximizing CRS resources to meet the changing needs of Congress. CRS continued to prepare itself as an institution to assist the Congress as it faces challenges such as the growing complexity of legislative policy questions, polarization of policy issues, sizeable member and staff turnover, proliferation of information sources, and continued focus on budgetary concerns.

Congressional Research Service divisions were aligned to cluster various disciplines and subject expertise to more effectively apply resources to policy areas before the Congress (American Law; Domestic Social Policy; Foreign Affairs, Defense, and Trade; Government and Finance; Information Research; and Resources, Science, and Industry). New shared resource centers were created. The service began to relocate and upgrade staff workstations to enable teams to work more efficiently, interactively, and in closer proximity to the tools and resources they need. The first phase of the relocation of people and equipment began at the end of the fiscal year, with careful planning to ensure no disruption to congressional services during the transition.

Launched in fiscal 1998, the succession planning efforts by CRS will enable

an orderly transfer of institutional knowledge by training replacement staff members to succeed a large number of analysts soon eligible to retire (approximately 50 percent by 2006). These succession efforts, scheduled to be phased in gradually through recruiting new staff members to be mentored by experienced staff, will prepare a new generation to meet the analytic and information needs of the Congress and thus ensure continuity in the quality, level, breadth, and timeliness of CRS service.

CRS continued to develop its legislative planning grid as an internal management tool. The grid is a list of major policy issues likely to receive substantial attention in the current session of the Congress together with selected, related CRS products. In fiscal 1999, issues were identified by more extensive consultations led by management that involved all research staff. Issue leaders were designated to assume primary responsibility for coordinating CRS-wide coverage of identified issues.

TECHNOLOGY INITIATIVES

Technological advances continue to enable CRS employees to offer services faster, more efficiently, and in readily available formats. The Service tested and certified all CRS computer systems, including those designated as critical, as year 2000 compliant.

In the ongoing effort to improve the efficiency and speed of transmission of legislative analysis to the Congress, the Service developed weekly electronic mail delivery of CRS reports, issue briefs, and electronic materials relating to issues likely to receive action that week in the House and Senate. Known as the *Legislative Alert*, these links of each week's legislative issues to the most recent products on the CRS Web site made it easier for members and their staffs to participate in legislative deliberations.

With congressional interest increasingly turning to electronic resources, CRS continued to develop one of its newest products: the electronic briefing book. Basically providing in electronic form the contents of a briefing book that was traditionally compiled by a committee staff to prepare a specific member for upcoming hearings, These electronic briefing books, available on the CRS Web site, offered analytic and information resources on current issues such as terrorism, social security reform, and campaign finance reform. Briefing books added during fiscal 1999 dealt with banking and finance, taxation, and the year 2000 computer problem. The products were designed to permit the user to gain quick, easy, and comprehensive access to analysis, information, key documents, and perspectives on major issues currently before

Congress, as well as to identify reliable Web resources that were available on the issue areas.

The focus of development for the shared legislative information retrieval system during the past year was to create a Y2K-compliant system for exchanging data among the House, the Senate, and the Library. This compliance project was a significant undertaking because of the complexities of the legislative information system and the parameters of the infrastructure. Work was near completion by the end of fiscal 1999, with successful implementation scheduled before the year 2000.

The Congressional Research Service made some important strides in technological developments to existing services. A Web study team was formed to create a strategic and operating plan for developing and managing the Service's Web site for the Congress. Service-wide efforts have provided CRS staff with efficient workstations through upgrades in hardware and software, network enhancement, increased sharing of data, and improvements in communications technology. CRS focused attention on information security issues, important both because of its confidential relationship with members of Congress and because of its technical links to the congressional community. The Service prepared guidelines governing procedures for desktop backup, protection of confidential data and documents, password protection, configuration changes, and antivirus software requirements. By the end of fiscal 1999, all managerial staff members had received training in personal responsibilities for maintaining security.